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## State Budget Agreement Reached

*Education remains top priority; no new taxes on Michigan families*

**LANSING** – Republican lawmakers and the governor reached an agreement today on a state budget that places heavy emphasis on education, health care, economic and job development and the environment – without raising any new taxes on Michigan families, Sen. Valde Garcia, R- Howell, said.

“Given the current financial situation, I am pleased with the results of the budget discussions,” Garcia said. “Gov. Jennifer Granholm and the legislative leaders found an acceptable compromises that allow every one to win.”

Many of the issues fought for by the Republican legislature were agreed upon, including funding to preserve the Merit Award Scholarship at the \$2,500 level, keeping scheduled road projects on track and, most importantly, balancing the state budget without any new taxes.

Among the provisions hammered out by legislative leaders and the governor include:

- Restoring the Merit Scholarship Award so that each student who qualifies will receive the \$2,500 amount,
- Restoring 17 of the 34 deferred road projects that will increase motorist safety and create a viable state infrastructure for the movement of commerce,
- Approving the Driver Responsibility Program and the Claim It Correctly Program,
- Initiating funds for a Governor-Speaker technology partnership that will provide laptop computers to 6<sup>th</sup> grade students across the state. The partnership is possible with the support of federal funds, and
- Creating a funding floor for Higher Education which will ensure all institutions of higher education receive more than the administration’s original recommendation.

Legislators met the challenge of the current budget situation, solved the problems and put money away into the Medicaid Trust Fund, Budget Stabilization Fund and the Education Savings Fund for the Future, Garcia noted.

“This budget truly reflects our priorities, to retain full funding for Merit Award Scholarships, maintain per-pupil foundation grants and create a new funding floor for higher education, at a level above the governor’s recommendations,” Garcia said.